
SUBJECT: NASS Performance Review Program

EFFECTIVE: March 18, 1997

EXPIRES: February 1, 2002

FOR ACTION BY: State Statistical Offices and Headquarters Units

REFERENCE: AFM Policies and Procedures Manual

Approvedby: _____

Associate Administrator

- I. **PURPOSE:** Performance appraisal is a management tool designed to encourage communications in the office, improve the quality of work produced, and promote individual accountability. These are the concepts underpinning the legal requirement that all agencies evaluate employee performance.

This PSM outlines specifications and procedures for the new Performance Review Program (PRP) for all NASS employees except those in the Senior Executive Service. PRP use begins with the issuance of this PSM. To implement this new program in a timely fashion, new critical elements and standards should be developed and presented to employees by April 18, 1997.

The new PRP enhances the annual appraisal process by eliminating weaknesses in the old Performance Management System (PMS), while capitalizing on new options offered by the Office of Personnel Management (OPM) and the Department. Some of the new program options included in the program are delinking of awards and bonuses from a numeric rating system, changing from a 5-level system to a 2-level rating system, reducing the number of required critical elements, eliminating all noncritical elements, and using additional rating factors. This new program should improve the overall appraisal process as well as communications between employees and supervisors.

- II. **BACKGROUND:** In 1995, OPM developed a new set of guidelines for performance appraisals for all federal employees, except senior executives, who are evaluated under a separate system. USDA subsequently reviewed and created Departmental guidelines. These guidelines were less restrictive, giving agencies more options and flexibility than the old system.

Late in 1995, the NASS Leadership Team reviewed the new options and recommended a new PRP to the Strategic Planning Committee (SPC). However, implementation was delayed because the Research, Education, and Economics (REE) mission area also developed guidelines for REE agencies based on the new USDA guidelines. Those REE guidelines were approved by the Under Secretary in October 1996. Since OPM's guidelines stipulated that implementation of any new appraisal program would need to be presented to as many employees as possible prior to implementation, a series of briefings and supporting materials were provided to most employees in NASS. Feedback from these efforts was incorporated into the final version of the PRP, which was then approved by the SPC. The new NASS program was finally approved by the Department on January 24, 1997.

III. **PROCESS:** The new PRP involves the use of four new forms -- 435A, 435B, 435C, and 435D.

Electronic versions of the forms are being sent to official mailboxes. In addition to the instructions below, Attachment I contains more instructions on completing these forms.

The appraisal form, Form 435A, is the final performance rating form, and the only form that needs to be forwarded to the office of Administration and Financial Management (AFM), Human Resources Division (HRD) for the official Employee Performance Folder. A signed hard copy of this official form must also be retained by the immediate supervisor and the employee.

Form 435B will be used to specify elements and standards. Each element applicable to an employee requires a separate 435B.

Every employee must have at least **one critical element** and an associated **standard for fully successful performance**. Employees may have up to three critical elements. Use of multiple critical elements might be desirable in a few instances, but the use of the minimum number is *strongly encouraged*. If only one critical element is used for non-supervisory employees, this element would specify their job expectations and the criteria for an acceptable level of performance. Sample wording for generic elements will accompany electronic forms.

No separate element for Equal Opportunity/Civil Rights (EO/CR) is required for non-supervisory employees, but performance elements must address this area by incorporating the objectives of civil rights into at least one critical element.

Supervisors and managers **must have at least two critical elements**. Supervisors and managers are defined as those employees who conduct performance evaluations of subordinate employees. If only two elements are specified, the Supervisor/Management

Critical element should contain any additional requirements of the job and an associated standard for performance. The other critical element must be called Equal Opportunity/Civil Rights (EO/CR).

The final rating for each critical element is either **fully successful** or **unacceptable**. In order for an employee to receive an overall performance rating of **fully successful**, each critical element must be rated **fully successful**. If the rating official anticipates an **unacceptable rating** on any critical element, the official must notify the employee and an AFM employee relations specialist so that a performance improvement process (PIP) can be initiated. A PIP can be initiated at any time during the rating year. This gives the employee the opportunity to improve his/her work and bring an **unacceptable** rating to a **fully successful** level. Attachment II contains more information for assisting employees in improving work performance.

The goals and accomplishments form, Form 435C (or an equivalent word processing document), is to be used to identify specific employee goals and accomplishments. Even though the identification of goals and accomplishments is *strongly encouraged*, they are optional. Goals should be documented at the beginning of the rating period. Accomplishments can be identified at the final rating, during an interim rating, or when an employee transfers to a new position. The rating official is responsible for the official documentation of goals and accomplishments. However, employee input is *strongly encouraged* for both goals and accomplishments. The additional comments area of Form 435C can be used to document other aspects of the employee's performance that may not be covered on any other rating form. If Form 435C is used, an electronic or hard copy must be retained for a minimum of 3 years.

The **additional factors** form, Form 435D, is used to promote discussions between the employee and supervisor concerning other important traits related to the employee's job performance, which may or may not be covered by the critical element ratings. Attachment I contains instructions for using this form.

- IV. PERFORMANCE APPRAISAL PERIODS: The normal appraisal rating period begins October 1 and ends September 30 each year (or the date an employee starts a new job until September 30).

Appraisal periods must be at least 60 days in length in order for employees to be ratable. When the rating year ends before an employee has had performance standards in place for the minimum appraisal period of 60 days, the supervisor will normally extend the appraisal period for the length of time needed to meet the 60-day requirement. When the new target date is reached, the supervisor will prepare a rating of record for the employee. Employees who are on long-term training will not be rated until they have had standards in place and have been afforded the opportunity to perform under those standards for the minimum appraisal period.

The fact that certain employees are exempted from the formal aspects of the appraisal process does not mean they are exempt from performance related scrutiny, criticism, and praise. The supervisor should still maintain records of performance for all nonratable employees and recommend or take administrative action as required or needed. The reason they cannot be rated should be noted on Form 435C in the **additional comments area**.

- V. **AUTOMATED FORMS:** The automated forms used in the PRS process will be sent to official mailboxes in a separate delivery. These files should be saved so they can be used in WordPerfect. It is also important for each office to electronically file the original versions so that blank copies are available when needed.

The completed version of Form 435B, containing all elements and standards, should be on file **within 30 days** of receipt of the electronic forms. Form 435C may be completed electronically and stored electronically or in hard copy. If supervisors choose not to use this form, they may use an alternative mechanism to specify goals and accomplishments.

Form 435D is to be printed, completed, and used (or retained) only in hardcopy. The only portion that can be completed electronically prior to printing is the section containing the name, rating period, and date.

ATTACHMENTS:

Attachment I -- Instructions for Completing the Performance Plan Forms

Attachment II -- Assisting Employees in Improving Performance

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INSTRUCTIONS FOR COMPLETING THE FORMS FOR THE EMPLOYEE'S PERFORMANCE PLAN

The appraisal summary form, **Form 435A**, officially documents development of and issuance or conduct of the performance plan, the progress review(s), and the annual performance rating of record. The *appraisal period* beginning date and ending date are entered in the space provided. The type of rating should be checked “*annual*” in most cases. The “*other (specify)*” is used to denote performance evaluations used for Performance Improvement Process (PIP) actions or for documentation and other administrative actions.

Section I: ***Employee Information***, should be accurately completed (or verified).

Section II: ***Certification of Development and Receipt of Performance Plan***, should be signed and dated when Form 435B and Form 435C are completed.

Section III: ***Progress Reviews***, should be initialed and dated when progress reviews (mid-year evaluations) are done (usually in March).

Section IV: ***Critical Elements and Element Ratings***, should list the critical element(s) as identified on Form(s) 435B. For the final rating, each critical element listed is checked either fully successful or unacceptable.

Section V: ***Performance Rating***, should list employee's rating completed at the end of the rating year. All critical elements must be fully successful in order for the overall rating to be fully successful. Any critical element rated unacceptable results in a performance rating of unsuccessful.

Section VI: ***Certification of Issuance and Receipt of Performance Rating***, should be completed and dated by the employee and the first level supervisor. The reviewer's signature and date is also required on all forms.

Form 435B is used to describe and document each performance element and associated standard at the fully successful performance level. Use the generic examples as a guide for developing element(s) and standards for each position.

Form 435C is used to document the employees goals or anticipated achievements for the year. There is space to document accomplishments of the employee at the interim rating period and at the end of the year. Additional comments are used to document specific performance issues that would not be noted anywhere else in the appraisal.

Form 435D is used during interim and final appraisal discussions for all employees. One copy is completed by the supervisor and one copy is for a self-rating by the employee. Optionally the supervisor may request this form be completed by peers or team members of teams the employee worked on at least 60 days during the year.

The administrative portion of Form 435D (name, rating period, date) can be completed electronically before the form is printed. The form should be administered in **hard copy form only** and no official copy is required to be on file. At the beginning of the rating year, the supervisor and employee will identify which of the “Additional Factors” will be used during the evaluation period. These evaluation factors are mostly job traits and are intended to foster “open” and honest discussion between the immediate (or rating) supervisor and the employee. Occasionally, because of the nature of a specific job, one or more of the factors may be deemed inappropriate, and therefore should not be rated. Additional space has been provided to add other agreed upon factors that may be more suitable.

The purpose of the self-level rating, by the employee, (or the optional team-level rating), is to provide significant points for discussion between employee and supervisor. Discussion points will normally occur when there are wide discrepancies between the rating of the supervisor, the employee, and any other optional evaluations of the individual factors. Each factor rated will use a continuous scale from low to high. Other factors, such as meets or exceeds job requirements, amount of supervision required, and willingness to take on additional responsibilities in relation to performance against job duties and responsibilities, should also be considered.

A Form 435D completed as part of the review process cannot be used in any fashion to determine the performance rating on Form 435A. Supervisors may keep a copy for later appraisal reference, but it cannot be used in any other official capacity.

ASSISTING EMPLOYEES IN IMPROVING PERFORMANCE

If, at any time, the supervisor determines an employee's performance in any critical element or the overall performance is less than fully successful, the employee should be counseled by the supervisor, with specific deficiencies identified. Performance elements and standards and performance expectations must be thoroughly explained to the employee. Assistance provided may include closer supervision, on-the-job training, formal training, etc. All counseling sessions should be documented.

When a supervisor identifies any critical element(s) for which performance is at the unacceptable level, the employee must be informed in a timely manner of the performance standards that must be reached in order to attain fully successful performance. The supervisor should work with the employee relations specialists to develop a Performance Improvement Plan (PIP). The PIP must be in writing and must:

- (a) Identify the specific critical element(s) in which the employee is deficient.
- (b) Describe the types of improvements (specific work or projects to be completed, steps or procedures to be followed, etc.) that the employee must demonstrate to attain fully successful performance.
- (c) Offer assistance to the employee in improving to the fully successful level. This assistance may include formal training, on-the-job training, counseling, and closer supervision.
- (d) Provide the employee a reasonable opportunity to demonstrate acceptable performance, commensurate with the duties and responsibilities of the employee's position.
- (e) Inform the employee that, at the conclusion of the PIP, if performance has been unacceptable, the employee may be reduced in grade or removed. A written notice will be provided to the employee explaining the action to be taken, the effective date of such action, and the employee's appeal rights.

If an individual is placed on a PIP during the last 60 days of the annual appraisal period, a rating of record will not be assigned until completion of the PIP. Upon completion of the PIP, the supervisor will work with the employee relations specialist to prepare documentation of the employee's level of performance.

- (a) If the employee's performance is *fully successful*, the rating prepared at the conclusion of the PIP will become the new rating of record for purposes of within-grade increases (WGI's) and future personnel actions. If the employee's performance remains *unacceptable* after having completed the PIP, the supervisor may propose a reduction-in-grade or removal action.

- (b) If the employee's performance reverts back to *unacceptable* on any element(s) included in the PIP at any time up to 1 year from the effective date of the PIP, action to reduce in grade or remove can be taken without giving the employee another opportunity to perform, that is, a new PIP is not required.
- (c) If the employee has performed acceptably for 1 year from the beginning of a PIP in an element(s) for which the employee was afforded an opportunity to improve, and the employee's performance again becomes *unacceptable*, the employee must be given another opportunity to demonstrate acceptable performance before determining whether to propose a reduction-in-grade or removal.